

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE: §
THE STEPHENS COMPANY § CASE NO. 06-30674-H5-11
§
§
DEBTOR § CHAPTER 11
§

PLAN TRUSTEE'S FINAL QUARTERLY REPORT

Comes now, William G. West, Plan Trustee, and files this quarterly report for December, 2008. This case was closed and a final decree issued on December 15, 2008.

DATED: January 22nd, 2009

/s/ William G. West, Plan Trustee
William G. West, Plan Trustee
12345 Jones Rd., Suite 120
Houston, Texas 77070
Telephone: (281) 807-7811
Facsimile: (281) 807-7822

CASE NAME: THE STEPHENS DISTRIBUTION TRUST**UNITED STATES BANKRUPTCY COURT****CASE NUMBER:** 06-30674-H5-11Southern **DISTRICT OF TEXAS****PROPOSED PLAN DATE:** Approved August 29, 2006Houston **DIVISION**

FINAL REPORT - CASE CLOSED - FINAL DECREE ISSUED DECEMBER 15, 2008

PLAN TRUSTEE'S QUARTERLY REPORT SUMMARY - CASH BASIS - DECEMBER 31, 2008

QUARTER ENDING	March 2008	June 2008	Sept 2008	Dec 2008	March 2009	June 2009
REVENUES (MOR-6)	225,000	0	80,000	30,000	0	0
INCOME BEFORE INT, DEPREC./TAX (MOR-6)	41,091	(6,066)	38,766	10,560	0	0
NET INCOME (LOSS) (MOR-6)	41,474	(10,835)	38,532	8,976	0	0
PAYMENTS TO INSIDERS (MOR-9)	0	0	0	0	0	0
PAYMENTS TO PROFESSIONALS (MOR-9)	183,909	6,066	41,228	17,772	0	0
TOTAL DISBURSEMENTS (MOR-8)	486,781	34,355	223,410	19,623	0	0

REQUIRED INSURANCE MAINTAINED AS OF SIGNATURE DATE		EXP.	DATE
CASUALTY	YES () NO (x)	N/A -	-
LIABILITY	YES () NO (x)	N/A -	-
VEHICLE	YES () NO (x)	N/A -	-
WORKER'S	YES () NO (x)	N/A -	-
OTHER	YES () NO (x)	N/A -	-

Are all accounts receivable being collected within terms?	No
Are all post-petition liabilities, including taxes, being paid within terms?	Yes
Have any pre-petition liabilities been paid? No If so, describe	
Are all funds received being deposited into Trustee bank account? Yes	
Were any assets disposed of outside the normal course of business? No	
If so, describe	
Are all U. S. Trustee Quarterly Fee Payments current? Yes	
What is the status of your Plan of Reorganization? Approved, August 2006	

ATTORNEY NAME: Thomas S. Henderson
 ADDRESS: Attorney at Law
 ADDRESS: 711 Louisiana, Suite 3100
 CITY, STATE, ZIP: Houston, Texas 77002
 TELEPHONE: 713-227-9500

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct based on information made available to me by the debtor.

SIGNED William G. West/ECF **TITLE:** PLAN TRUSTEE
WILLIAM G. WEST

MOR-1

CASE NAME: THE STEPHENS DISTRIBUTION TRUST

CASE NUMBER: 06-30674-H5-11

COMPARATIVE BALANCE SHEETS

<u>ASSETS</u>	PETITION DATE*	MONTH March 2008	MONTH June 2008	MONTH Sept 2008	MONTH Dec 2008	MONTH March 2009	MONTH June 2009
CURRENT ASSETS							
<i>Cash</i>	235,492	301,292	271,652	149,927	162,874	0	0
<i>Accounts Receivable, Net</i>	430,000	109,742	105,133	93,338	90,046	0	0
<i>Inventory: Lower of Cost or Market</i>	0		0	0	0	0	0
<i>Prepaid Expenses</i>	0	0	0	0	0	0	0
<i>Investments</i>	0	0	0	0	0	0	0
<i>Other</i>	0	0	0	0	0	0	0
TOTAL CURRENT ASSETS	665,492	411,034	376,785	243,265	252,920	0	0
PROPERTY, PLANT&EQUIP, @ COST	1,507,000	0	0	0	0	0	0
<i>Less Accumulated Depreciation</i>	0	0	0	0	0	0	0
NET BOOK VALUE OF PP & E	1,507,000	0	0	0	0	0	0
OTHER ASSETS:							
<i>1. Promissory Note</i>	40,000	5,454	5,454	5,454	5,454	0	0
<i>2. Insurance Claim</i>	12,000	12,000	12,000	12,000	12,000	0	0
<i>3. Attorney Retainer</i>	0	0	0	0	0	0	0
<i>4.</i>	0	0	0	0	0	0	0
TOTAL ASSETS	2,224,492	428,488	394,239	260,719	270,374	0	0

COMPARATIVE BALANCE SHEETS

<u>LIABILITIES & OWNER'S EQUITY</u>	PETITION DATE*	MONTH March 2008	MONTH June 2008	MONTH Sept 2008	MONTH Dec 2008	MONTH March 2009	MONTH June 2009
LIABILITIES							
POST-PETITION LIABILITIES (MOR-4)		0	0	0	0	0	0
PRE-PETITION LIABILITIES:							
<i>Notes Payable-Secured</i>	137,150	0	0	0	0	0	0
<i>Priority Debt</i>	215,174	0	0	0	0	0	0
<i>Federal Income Tax (if Secured By Lien - See Above)</i>	0	0	0	0	0	0	0
<i>Lien found not on Debtors schedules</i>	0	0	0	0	0	0	0
<i>Unsecured Debt</i>	2,732,737	1,767,609	1,744,195	1,572,143	1,572,822	0	0
<i>Other - Ad valorem & sales taxes for 2004</i>	0	0	0	0	0	0	0
TOTAL PRE-PETITION LIABILITIES	3,085,061	1,767,609	1,744,195	1,572,143	1,572,822	0	0
TOTAL LIABILITIES	3,085,061	1,767,609	1,744,195	1,572,143	1,572,822	0	0
OWNER'S EQUITY (DEFICIT):							
	0	0					
	0	0	0	0	0	0	0
ADDITIONAL PAID-IN CAPITAL	0	0	0	0	0	0	0
RETAINED EARNINGS: Filing Date	(860,569)	(860,569)	(860,569)	(860,569)	(860,569)	0	0
RETAINED EARNINGS: Post Filing/Pre Confirmation Date	0	(139,610)	(139,610)	(139,610)	(139,610)	0	0
RETAINED EARNINGS: Post Confirmation Date	0	(338,942)	(349,777)	(311,245)	(302,269)	0	0
TOTAL OWNER'S EQUITY (NET WORTH)	(860,569)	(1,339,121)	(1,349,956)	(1,311,424)	(1,302,448)	0	0
TOTAL LIABILITIES & OWNER'S EQUITY	2,224,492	428,488	394,239	260,719	270,374	0	0

MOR-3

CASE NUMBER: 06-30674-H5-11

SCHEDULE OF POST-PETITION LIABILITIES

	MONTH March 2008	MONTH June 2008	MONTH Sept 2008	MONTH Dec 2008	MONTH March 2009	MONTH June 2009
<u>TRADE ACCOUNTS PAYABLE</u>	0	0	0	0	0	0
TAX PAYABLE:						
<i>Federal Payroll Taxes (includes employee withholding)</i>	0	0	0	0	0	0
<i>State Payroll & Sales</i>	0	0	0	0	0	0
<i>Ad Valorem Taxes- 2005 Accrual</i>	0	0	0	0	0	0
<i>Other : Federal Income Tax</i>	0	0	0	0	0	0
TOTAL TAXES PAYABLE	0	0	0	0	0	0
SECURED DEBT POST-CONVERSION	0	0	0	0	0	0
ACCRUED INTEREST PAYABLE (A)	0	0	0	0	0	0
PROFESSIONAL FEES*: (Note 1)	0	0	0	0	0	0
OTHER ACCRUED LIABILITIES:						
1. <i>Management Fee</i>	0	0	0	0	0	0
2. <i>Payroll</i>	0	0	0	0	0	0
3. <i>Utilities & Other</i>	0	0	0	0	0	0
TOTAL POST-PETITION LIABILITIES (MOR-3)	0	0	0	0	0	0

* Payment Requires Court Approval.

A - estimate only, books & records not turned over to trustee

MOR-4

Revised:lem:9/15/92

CASE NAME: THE STEPHENS DISTRIBUTION TRUST

CASE NUMBER: 06-30674-H5-11

POST-PETITION TRADE ACCOUNTS AND TAXES PAYABLE
QTR, ENDING Month of December 31, 2008

DAYS	TOTAL	TRADE ACCTS	FED TAXES PAYROLL	STATE TAXES	AD-VALOREM, OTHER TAXES	OTHER
0-30	0	0	0	0	0	0
31-60	0	0	0	0	0	0
61-90	0	0	0	0	0	0
91 +	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

AGING OF ACCOUNTS RECEIVABLE

MONTH	March 2008	June 2008	Sept 2008	Dec 2008	March 2009	June 2009
0-30 DAYS	0	0	0	0	0	0
31-60 DAYS	0	0	0	0	0	0
61-90 DAYS	0	0	0	0	0	0
91 + DAYS	109,742	105,133	93,338	90,046	0	0
TOTAL	109,742	105,133	93,338	90,046	0	0

CASE NAME: THE STEPHENS DISTRIBUTION TRUST

CASE NUMBER: 06-30674-H5-11

STATEMENT OF INCOME (LOSS)

<i>QUARTER ENDING</i>	<i>March 2008</i>	<i>June 2008</i>	<i>Sept 2008</i>	<i>Dec 2008</i>	<i>March 2009</i>	<i>June 2009</i>	<i>Activity Totals</i>
<i>REVENUES (MOR-1)</i>	225,000	0	80,000	30,000	0	0	1,885,000
<i>TOTAL COST OF REVENUES</i>	0	0	0	0	0	0	1,507,000
<i>GROSS PROFIT</i>	225,000	0	80,000	30,000	0	0	378,000
<i>OPERATING EXPENSES:</i>							
<i>Selling & Marketing</i>	0	0			0	0	102,166
<i>General & Administrative</i>	0	0	0	0	0	0	14,715
<i>Insiders Compensation</i>	0	0	0	0	0	0	6,491
<i>Professional Fees</i>	183,909	6,066	41,228	17,772	0	0	576,554
<i>Management Fees</i>	0	0	0	0	0	0	0
<i>Other - Misc</i>	0	0	6	1,668	0	0	10,133
<i>TOTAL OPERATING EXPENSES</i>	183,909	6,066	41,234	19,440	0	0	710,059
<i>INCOME BEFORE INT, DEPR/TAX (MOR-1)</i>	41,091	(6,066)	38,766	10,560	0	0	(332,059)
<i>INTEREST EXPENSE</i>	0	0	0	0	0	0	0
<i>US TRUSTEE FEE/EXPENSE</i>	0	4,875	325	1,625	0	0	15,075
<i>INTEREST INCOME</i>	383	106	91	41	0	0	13,790
<i>OTHER INCOME ITEMS-</i>	0	0	0	0	0	0	31,075
<i>TOTAL INT, DEPR & OTHER ITEMS</i>	383	(4,769)	(234)	(1,584)	0	0	29,790
<i>NET INCOME BEFORE TAXES</i>	41,474	(10,835)	38,532	8,976	0	0	(302,269)
<i>FEDERAL INCOME TAXES</i>	0	0	0	0	0	0	0
<i>NET INCOME (LOSS) (MOR-1)</i>	41,474	(10,835)	38,532	8,976	0	0	(302,269)

Accrual Accounting Required, Otherwise Footnote With Explanation

* Footnote Mandatory

Revised:lem:9/2/92

** Unusual and/or infrequent item(s) outside the ordinary course of business

MOR-6

CASE NAME: THE STEPHENS DISTRIBUTION TRUST

CASE NUMBER:

06-30674-H5-11

STATEMENT OF SOURCE AND USE OF CASH

SOURCE OF CASH	March 2008 Qtr. End	June 2008 Qtr. End	Sept 2008 Qtr. End	Dec 2008 Qtr. End	March 2009 Qtr. End	June 2009 Qtr. End	Activity Totals
NET INCOME (LOSS) from MOR-6	41,474	(10,835)	38,532	8,976	0	0	(302,269)
ADD: DEPRECIATION & AMORTIZATION	0	0	0	0	0	0	0
CASH GENERATED FROM OPERATIONS	41,474	(10,835)	38,532	8,976	0	0	(302,269)
ADD: DECREASE IN ASSETS:							
1. Accounts Receivable	14,368	4,609	11,795	3,292	0	0	166,213
2. Inventory	0	0	0	0	0	0	0
3. Prepaid Expenses	0	0	0	0	0	0	40,000
4. Property, Plant & Equipment	0	0	0	0	0	0	1,507,000
5. Other, Transfer/Deposit of DIP Cash	0	0	0	0	0	0	264,169
INCREASE IN LIABILITIES:							
1. Post-petition Liabilities	0	0	0	0	0	0	0
2. Pre-petition Liabilities	0	0	26,504	679	0	0	40,670
TOTAL SOURCE OF CASH (A)	55,842	(6,226)	76,831	12,947	0	0	1,715,783
INCREASE IN ASSETS:							
1. Accounts Receivable	0	0	0	0	0	0	0
2. Inventory	0	0	0	0	0	0	0
3. Prepaid Expenses	0	0	0	0	0	0	0
4. Property, Plant & Equipment	0	0	0	0	0	0	0
5. Other	0	0	0	0	0	0	0
DECREASE IN LIABILITIES:							
1. Post-petition Liabilities	0	0	0	0	0	0	0
2. Pre-petition Liabilities/Property Tax Liens	302,871	23,414	198,556	0	0	0	1,552,909
TOTAL USE OF CASH (B)	302,871	23,414	198,556	0	0	0	1,552,909
NET SOURCE (USE) OF CASH (A - B)	(247,029)	(29,640)	(121,725)	12,947	0	0	162,874
CASH-BEGINNING BALANCE	548,321	301,292	271,652	149,927	0	0	0
CASH-ENDING BALANCE (MOR-2)	301,292	271,652	149,927	162,874	0	0	162,874

MOR-7

Revised:lem:9/2/92

CASE NAME: THE STEPHENS DISTRIBUTION TRUST**CASE NUMBER:** 06-30674-H5-11

CASH ACCOUNT RECONCILIATION
Month of December 31, 2008

ACCOUNT NUMBER	Bank Acct. Trustee C.D.	Bank Acct. Trustee Checking	Bank Acct. Trustee MMA			
ACCOUNT TYPE				-	-	<u>TOTAL</u>
BANK BALANCE	0	2,083	161,274	0	0	163,357
DEPOSIT IN TRANSIT	0	0	0	0	0	0
OUTSTANDING CHECKS	0	483	0	0	0	483
ADJUSTED BANK BALANCE	0	1,600	161,274	0	0	162,874
BEG. CASH - PER BOOKS	0	1,444	148,483	0	0	149,927
RECEIPTS	0	0	32,570	0	0	32,570
TRANSFERS BETWEEN ACCTS	0	19,779	(19,779)	0	0	0
CKS/OTHER DISBURSEMENTS	0	19,623	0	0	0	19,623
ENDING CASH - PER BOOKS	0	1,600	161,274	0	0	162,874

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

QUARTER ENDING	March 2008	June 2008	Sept 2008	Dec 2008	March 2009	June 2009
BEGINNING CASH	548,321	301,292	271,652	149,927	0	0
TOTAL RECEIPTS	239,752	4,715	101,685	32,570	0	0
TOTAL DISBURSEMENT (MOR-1)	486,781	34,355	223,410	19,623	0	0
ENDING CASH (MOR-2)	301,292	271,652	149,927	162,874	0	0

MOR-8

Revised:lem:7/23/92

CASE NAME: THE STEPHENS DISTRIBUTION TRUST**CASE NUMBER:** 06-30674-H5-11**PAYMENTS TO INSIDERS AND PROFESSIONALS**

Of the total disbursements shown for the qtr., list the amount paid to insiders (as defined in Section 101(30)(A)-(F) of the U. S. Bankruptcy Code) and the professionals. Also, for insiders identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary.)

INSIDERS: NAME/COMP TYPE	<i>March 2008 QTR. END</i>	<i>June 2008 QTR. END</i>	<i>Sept 2008 QTR. END</i>	<i>Dec 2008 QTR. END</i>	<i>March 2009 QTR. END</i>	<i>June 2009 QTR. END</i>
<i>1. T. Buckley, Expense Reimburse</i>						
<i>2.</i>						
<i>3.</i>						
<i>4.</i>						
<i>5</i>						
TOTAL INSIDERS (MOR-1)	0	0	0	0	0	0

PROFESSIONALS	<i>March 2008 QTR. END</i>	<i>June 2008 QTR. END</i>	<i>Sept 2008 QTR. END</i>	<i>Dec 2008 QTR. END</i>	<i>March 2009 QTR. END</i>	<i>June 2009 QTR. END</i>
<i>1. Parrish & Parrish, Attorney</i>	2,241	947	1,899	762		
<i>2. Munsch Hardt, Attorneys</i>	211					
<i>3. Thomas Henderson, Attorney</i>	6,822	4,351	1,240	525		
<i>4. William G. West, Trustee</i>	27,934		17,131	2,273		
<i>5. David E. Hamblen, CPA</i>	0					
<i>6. William G. West, CPA</i>	14,071		3,411	712		
<i>7. Porter & Hedges, LLP</i>	1,275	768				
<i>8. Anderson & Cunningham, Atty's</i>	131,355		17,547	13,500		
TOTAL PROFESSIONALS (MOR-1)	183,909	6,066	41,228	17,772	0	0